

2017-2018 BUDGET QUESTION

Response to Request for Information

DEPARTMENT: Economic Development

REQUEST NO.: 152

REQUESTED BY: Troxclair

DATE REQUESTED: 9/5/17

DATE POSTED: 9/8/17

REQUEST: What are the line item revenue details for the Cultural Arts Program?

RESPONSE:

The Economic Development Department Cultural Arts and Contracts Program does not collect revenue. Cultural Arts Program expenditures are primarily paid for from a transfers from other funds. Volume 2, page 68, of the 2017-18 Proposed Budget displays the funding sources for the Cultural Arts Division requirements and are in the table below.

Requirements

Cultural Arts Fund

Economic Development Fund

Expense Refunds

Grants

Total Requirements

The Cultural Arts Fund is funded by a transfer in from the Hotel Occupancy Tax Fund. The City receives nine cents on each dollar of qualified room occupancy rents of which 1.05 cents, \$11,091,937, is allocated to the Cultural Arts Fund to fund contracts to artists and cultural agencies as a way to encourage, promote, and improve the arts in Austin. Cultural Arts contracts are allocated through a predetermined process involving review and recommendation by the Arts Commission and approval by the City Council. The Cultural Arts Fund also estimates collecting \$25,000 of interest income in FY 2018.

The Economic Development Fund transfers in are from a cost-share model between the General Fund, Austin Water, Austin Energy, and Austin Resource Recovery. Funding is allocated to the Cultural Arts Program for operating expenditures.

In addition, the Community Development Incentives Fund is funded through one-time transfers from the Budget Stabilization Reserve Fund and the General Fund. Council directed the Cultural Arts Program receive four years of funding (FY 2016-2019) in the amount of \$150,000 annually be directed to new cultural contracts, as awarded by an application and evaluation procedure to be developed by the Economic Development Department. This funding is for capacity building and professional development (business skills, conferences, workshops, board governance, financial and strategic planning, technology, consultation with organizational experts, etc.) to help sustain and enhance business acumen and stability within the arts community.